

# KBL European Private Bankers

## From Luxembourg with... ambition

With almost 60 years of experience behind it, KBL European Private Bankers is continuing its career with reaffirmed ambition, using an original concept of a European network of pure-play private banks

Since 2006, KBL European Private Bankers has been the Business Unit of the KBC Group specialised in private banking. The quality of the service provided



by KBL European Private Bankers has been recognised by, among others, the *World Finance* magazine jury which awarded it the title of Best Bank in Luxembourg, 2008.

Through its subsidiaries, KBL European Private Bankers already has a presence in the main countries of Western Europe and continues to strengthen this at every opportunity, as illustrated by the recent purchase of the prestigious asset management

company Richelieu Finance in Paris.

This provided the ideal opportunity to get to know a little better this bank whose role in private banking in Europe cannot be overlooked.

Etienne Verwilghen, Chairman of the Executive Committee of KBL European Private Bankers, spoke to us, not without a hint of pride, about the success of his project.

"Firstly, KBL European Private Bankers has a unique model," said Verwilghen. "We are in fact the only network of local banks in Europe where private banking is the core business."

"What's more, the private banker is the key element in our strategy and we put the client at the centre of our concerns. Few of the other large financial groups can claim to have this focus on the business of the private banker."

### Solid assets

But to succeed in this business, just being there is not enough, you have to have solid assets.

"We are not setting off for war and leaving our guns behind," he went on.

"First of all, in a multicultural network, we respect local cultures. This is very important. We have always thought that, wherever we are in Europe, local management is better able to define a marketing strategy than we are, up in our tower at Luxembourg head office. All our private banks have a human size.

"They operate under their own names: their signature, their history, their reputation are our guarantee of lasting quality and success on their respective markets.

"All these elements mean that the banks in our network are firmly anchored locally and enjoy an incomparable local reputation."

"We also promote the entrepreneurial spirit of the private



bankers who join them. This is a good way of motivating them and... also a profitable way since in the last year our model has attracted some 150 private bankers who appreciate our way of working and our open architecture policy which gives them lots of room for manoeuvre when responding to the needs of the client."

**Centre of excellence**

The advantages of the KBL European Private Bankers' network do not end there.

As well as the support of a strong and stable shareholder, KBC Group, which provides the means for its expansion, members can call on the Hub Service Centre, at the Luxembourg headquarters.

This centre of excellence provides administrative and IT support to all banks in the KBL network.

"We offer all our companies a very efficient administrative support service. From start to finish, transactions make use of straight-through-processing tools. To this can be added an efficient IT infrastructure which relieves member banks of certain back-office tasks and allows them to concentrate exclusively on their commercial development," Verwilghen explained.

With these concrete advantages, KBL European Private Bankers now wants to strengthen its position in western Europe and is clearly eyeing up central and eastern Europe.

"Europe is our natural market," stated Etienne Verwilghen.

"Other international banks are rushing to open in China or India or Dubai.

"We prefer to husband our resources and concentrate on the market that we know best, Europe.

"The growth potential on this market is far from exhausted. We also have ambitious plans for expansion in central and eastern Europe."

**Optimists primed**

Is Etienne Verwilghen a natural optimist? Or is he an acute analyst of market developments in Europe?

"Things are very simple in western Europe. We have reached a period where many baby-boomers are approaching retirement with a nice nest-egg or having built up a significant complementary pension. These people are looking for a private banker who can look after their assets the way they want them looked after. As for the "new Europe", there I can see the emergence of a dynamic middle class which is starting to build up real wealth.

"This is why we've decided to open a bank in Poland first, then the Czech Republic, Slovakia and Hungary. Ultimately this expansion should reach its peak with an operation in Russia."

KBL European Private Bankers certainly does not lack ambition. Nonetheless in a very competitive market, such as Private Banking in Europe, it is important to be well-positioned and to stand out from the others.

"There are two main factors in doing this. On the one hand many private banks are fighting over the narrow market of the very rich. We are voluntarily opting for something different. We are aiming at affluent clients who do not fall into this category.

"On the other hand, the big international names are generally operating in capitals like London and Paris. We are happier prospering in the provinces where we have roots and where our competitors are less active," Verwilghen said in conclusion. ■

By Jean-Dominique Montois

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Legend:  
 ■ Locations in 2008  
 ■ Planned locations: Poland, Czech Republic, Slovakia, Hungary, Russia